

HOUSE BILL NO. 769

INTRODUCED BY GOLIE, HANSEN, SCHMIDT, SMITH, TESTER, WITT

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE RAIL SERVICE COMPETITION COUNCIL;
ESTABLISHING THE MEMBERSHIP AND DUTIES OF THE COUNCIL; PROVIDING AN APPROPRIATION;
AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Rail service competition council. (1) There is a rail service competition council consisting of the following members:

(a) the director of the department of agriculture provided for in 2-15-3001;

~~(b) the director of the department of commerce provided for in 2-15-1801;~~

~~(c)~~(B) the director of the department of transportation provided for in 2-15-2501;

~~(d) the director of the department of revenue provided for in 2-15-1301;~~

(C) THE DIRECTOR OF THE DEPARTMENT OF REVENUE PROVIDED FOR IN 2-15-1301;

~~(e)~~(C)(D) the chief business development officer of the office of economic development provided for in 2-15-218; ~~and~~

~~(f)(D)(E)~~ five SIX people appointed by the governor with the following qualifications:

(i) one person with substantial knowledge and experience related to class I railroads;

(II) ONE PERSON WITH SUBSTANTIAL KNOWLEDGE AND EXPERIENCE RELATED TO CLASS II RAILROADS;

~~(ii)(III)~~ one person ~~with substantial knowledge and experience as~~ WHO IS a farm commodity producer in the state of Montana AND WHO HAS SUBSTANTIAL KNOWLEDGE AND EXPERIENCE RELATED TO TRANSPORTATION OF FARM COMMODITIES;

~~(iii)(IV)~~ one person with substantial knowledge and experience in the trucking industry in the state of Montana;

~~(iv)(V)~~ one person with substantial knowledge and experience ~~in~~ RELATED TO TRANSPORTATION FOR the mineral industry in the state of Montana; and

~~(v)(VI)~~ one person with substantial knowledge and experience ~~in~~ RELATED TO TRANSPORTATION FOR the wood products industry in the state of Montana; AND

~~(G)(E)(F)~~ TWO MEMBERS, ONE FROM EACH POLITICAL PARTY AND ONE FROM EACH HOUSE OF THE LEGISLATURE,
FROM THE ECONOMIC AFFAIRS INTERIM COMMITTEE ESTABLISHED IN 5-5-223, SELECTED BY THE PRESIDING OFFICER OF
THE ECONOMIC AFFAIRS INTERIM COMMITTEE WITH THE CONCURRENCE OF THE VICE PRESIDING OFFICER.

(2) The rail service competition council shall perform the following duties:

(a) promote rail service competition in the state of Montana that results in reliable and adequate service
at reasonable rates;

(b) develop a comprehensive and coordinated plan to increase rail service competition in the state of
Montana;

(c) reevaluate the state's railroad taxation practices to ensure reasonable competition while minimizing
any transfer of tax burden. The reevaluation of the state's railroad taxation practices should include but is not
limited to a reevaluation of property taxes, taxes that minimize highway damage, special fuel taxes, and
corporate tax rates.

(d) develop various means to assist Montanans impacted by high rates and poor rail service;

(e) analyze the feasibility of developing legal structures to facilitate growth of producer transportation
investment cooperatives and rural transportation infrastructure authorities;

~~(F) PROVIDE OVERSIGHT FOR THE DEPARTMENT OF TRANSPORTATION'S ADVICE AND RECOMMENDATIONS TO THE
DEPARTMENT OF TRANSPORTATION FOR THE DEPARTMENT'S RAIL PLANNING ACTIVITIES PURSUANT TO TITLE 60, CHAPTER
11, PART 1;~~

~~(F)(G)~~ coordinate efforts and develop cooperative partnerships with other states and federal agencies
to promote rail service competition; and

~~(G)(H)~~ act as the state's liaison in working with class I railroads to promote rail service competition.

(3) The council shall cooperate with and report to any standing or interim legislative committee that is
assigned to study or has oversight duties for rail service competition issues.

(4) The council must be compensated, reimbursed, and otherwise governed by the provisions of
2-15-122.

(5) The council is attached for administrative purposes only to the governor's office, which may assist
the council by providing staff and budgetary, administrative, and clerical services that the council or its presiding
officer requests.

(6) Staffing and other resources may be provided to the council only from state and nonstate resources
donated to the council and from direct appropriations by each legislature.

NEW SECTION. Section 2. Appropriation. There is appropriated \$50,000 from the general fund UP TO \$30,000 FROM FEDERAL FUNDS \$50,000 FROM THE DEPARTMENT OF TRANSPORTATION'S HIGHWAY REVENUE ACCOUNT IN THE STATE SPECIAL REVENUE FUND RECEIVED FOR THE LOCAL RAIL FREIGHT ASSISTANCE PROGRAM to the rail service competition council for each of fiscal years 2006 and 2007 in order to carry out the duties required in [section 1].

NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 2, chapter 15, part 2, and the provisions of Title 2, chapter 15, part 2, apply to [section 1].

COORDINATION SECTION. SECTION 4. COORDINATION INSTRUCTION. IF HOUSE BILL NO. 757 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN [SECTION 1(2)(F) OF THIS ACT] MUST READ AS FOLLOWS:

"(f) provide advice and recommendations to the department of transportation on the department's activities under [sections 1 through 4 of House Bill No. 757];"

NEW SECTION. Section 5. Effective date. [This act] is effective July 1, 2005.

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